

ARTICLE APPEARED
ON PAGE 2

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2 U.S. agencies clash over report of GAO spy

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WASHINGTON—Two of the government's most powerful agencies are locked in battle over charges that Soviet spies have infiltrated the General Accounting Office.

U.S. Comptroller General Charles Bowsher, chief of the congressional watchdog agency, says the spy charges are an attempt by the Pentagon to deny GAO investigators classified data needed to uncover Pentagon cost overruns and mismanagement.

Both Bowsher and the FBI insist there is no truth to the spy reports.

Speculation that a Soviet spy is working at the GAO surfaced when a GRU (military intelligence) operative from the Soviet Embassy here approached GAO clerks and tried to withdraw classified data by citing secret document numbers.

SEN. WILLIAM ROTH (R., Del.) has called upon the Senate Intelligence Committee to investigate whether the Soviets obtained the secret numbers of GAO reports about Pentagon weapons systems by placing a spy inside the agency. A similar investigation is underway by Sen. Orrin Hatch (R., Utah).

Letters written by FBI Director William Webster and Bowsher as well as investigative files obtained by The Tribune outline the debate on whether the Soviets have an agent among GAO personnel who review major Pentagon weapons systems.

One of Bowsher's letters warned that fears of a GAO spy "could adversely affect GAO's ability to do its work on behalf of the Congress on matters requiring the handling of classified material" by causing the administration to deny data to GAO investigators.

RALPH SHARER, the investigator who leveled the original charge of a Soviet "mole" inside GAO, urged the suspension of classified data to the watchdog agency in a lengthy report he has sent to the White House.

Sharer opened the investigation into leaks of classified data in 1977 when then-CIA Director Stansfield Turner alleged a sensitive letter about a plan to sell Advanced Warning and Control System (AWACS) planes appeared to have been divulged by GAO.

One Pentagon official told The Tribune that the source of that leak was the Pentagon and not the GAO.

While pursuing the AWACS leak, Sharer uncovered an ambitious Soviet Embassy effort to obtain GAO information. He said he also found widespread carelessness among GAO workers handling classified data.

SHARER WAS subsequently transferred from the GAO to the National Aeronautics and Space Administration where he became embroiled in an unrelated dispute with officials and was suspended.

Sharer reported he found these examples of carelessness by GAO employees handling top secret and other classified materials:

- A GAO worker with top security clearance left his briefcase on a subway train, losing a top secret report on the electronic countermeasures the Joint Chiefs of Staff use to keep their Pentagon communications from being tapped.

- GAO executives sent top-secret documents "unattended" from room to room on "robot" mail carts at the agency's sprawling headquarters.

- On occasion workers at GAO headquarters would carefully remove top-secret documents from vaults and make microfiche copies. The copies were then sent to field offices of government contractors, where they were available to persons without security clearance.

- Safes containing classified material were left open and unattended. Sometimes classified reports and work papers were kept in unlocked filing cabinets or were lost in the headquarters building.

- In one case, "CIA briefing materials for a congressional member (were) left unattended overnight on desks in open areas."

SHARER'S REPORT also includes photocopies of scores of requests for GAO reports made by Soviet military attache personnel from the embassy here. In each case the Soviet operatives identified themselves on the forms as Soviet Embassy officials.

Webster, however, says that FBI agents have ruled out the possibility there is a Soviet spy at work inside the GAO.

Bowsher has acknowledged that the agency found serious shortcomings in how GAO executives were handling classified data. In a recent letter to Congress, Bowsher reported, "the internal GAO orders and report manual provisions regarding security and the handling of classified data have been revised and reissued."

Bowsher also complained in a letter to Rep. Jack Brooks (D., Tex.) about widespread publicity surrounding the disclosure that a Soviet GRU agent had visited the GAO several times and requested scores of the agency's reports, including at least 10 that were classified.

THE PUBLICITY, largely by television networks, is causing problems for the GAO, Bowsher said. He noted that it has prompted calls for a cutoff of classified data from within the administration.

This situation, Bowsher said, "could adversely affect GAO's ability to do its work on behalf of the Congress on matters requiring the handling of classified material and on its reputation for dealing properly with matters requiring cooperation with the FBI."